

1 UNITED STATES BANKRUPTCY COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 10-14215-smb

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5 FGIC CORPORATION

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7 Debtor.

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11 U.S. Bankruptcy Court

12 One Bowling Green

13 New York, New York

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15 March 21, 2013

16 10:21 AM

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19 B E F O R E :

20 HON. STUART M. BERNSTEIN

21 U.S. BANKRUPTCY JUDGE

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1 HEARING re: Post-Confirmation Status Conference

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25 Transcribed by: Pamela A. Skaw

1 A P P E A R A N C E S :

2 KIRKLAND & ELLIS, LLP

3 Attorney for Debtor

4 300 North LaSalle

5 Chicago, IL 60654

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7 BY: PATRICK J. NASH, JR., ESQ.

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1 P R O C E E D I N G S

2 THE COURT: FGIC.

3 (Pause)

4 MR. NASH: Good morning, Your Honor.

5 THE COURT: Good morning.

6 MR. NASH: Pat Nash of Kirkland and Ellis on
7 behalf of the debtor, FGIC Corp.

8 THE COURT: Did you file a --

9 MR. NASH: We did yesterday, Your Honor.
10 Your Honor, we've not yet gone effective or made
11 any distributions, although we're very close doing so. I
12 can explain, Your Honor, what --

13 THE COURT: I thought there was a February drop
14 dead date in the last report.

15 MR. NASH: It's been extended, Your Honor, to
16 April 19th. And I think if we were to kick out this status
17 conference, you know, thirty, maybe sixty days, Judge, by
18 that time we'd probably be able to report that we've gone
19 effective and made distributions.

20 THE COURT: What's holding up the effectiveness?

21 MR. NASH: Originally, Your Honor, we were seeking
22 a private letter ruling from the I.R.S. That private letter
23 ruling came down in November favorably, thankfully. There
24 were certain tax conditions that were satisfied in November.

25 And then in connection, Your Honor, with preparing

1 to distribute the reorganized equity, we were surprised to
2 learn that one of our creditors will be a greater than ten
3 percent owner of the subsidiary insurance company. And,
4 Your Honor, that greater than ten percent ownership status
5 requires that entity to comply with certain regulatory
6 requirements from the New York State Department of
7 Insurance, which we are in the process of finalizing.

8 THE COURT: Okay. So, what do you suggest?

9 MR. NASH: Kick this over to a date that suits
10 Your Honor, perhaps sixty, ninety days. Whatever makes
11 sense, Judge.

12 THE COURT: You have any sense of when this is
13 going to be resolved or --

14 MR. NASH: Sixty days should be enough time,
15 Judge.

16 THE COURT: All right. May 29th.

17 MR. NASH: Thank you, Your Honor.

18 THE COURT: Thank you.

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20 (Whereupon these proceedings were concluded at 10:23
21 AM)

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C E R T I F I C A T I O N

I, Pamela A. Skaw, certify that the foregoing transcript is
a true and accurate record of the proceedings.

Veritext

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Date: April 11, 2013